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MAYOR AND COUNCIL  
ROCKVILLE, MARYLAND  
January 30, 2012  
7:00 p.m.  
Meeting No. 04-12

Present:

Mayor Phyllis Marcuccio, Councilmember John F. Hall, Jr. Councilmember Tom Moore, Councilmember Bridget Donnell Newton, and Councilmember Mark Pierzchala

Staff Present:

Acting City Manager Jenny Kimball, Acting City Clerk Brenda Bean and City Attorney Debra Daniel.

**1. Convene**

The Mayor and Council convened at 7:00 p.m. on Monday, January 30, 2012, in the Mayor and Council Chambers, City Hall, 111 Maryland Avenue, Rockville, Maryland.

**2. Pledge of Allegiance**

Mayor Marcuccio led the Pledge of Allegiance.

**3. Agenda Review**

No changes were reported to the agenda.

**4. City Manager's Report**

Acting City Manager Kimball said that the Rockville City Police Department would soon release its Crime Statistics Report for the first three quarters of FY2011. She noted that there has been a 4% decrease in crime within the City of Rockville for January–December 2011, as compared to the statistics for the same period in 2010. Ms. Kimball said that the data will show a significant decrease in robberies.

Councilmember Newton congratulated the Police Department on the recent Polar Bear Swim and said the efforts of the officers went a long way towards the goal of raising funds for the Special Olympics.

**5. Rockville Economic Development, Inc. (REDI) Update**

Lynn Benzion, Associate Director of REDI, reported:

- Sally Sternbach had recently accepted a position with the Montgomery County Department of Business and Economic Development as the Deputy Director and that

- the REDI Board of Directors has begun the process to replace Ms. Sternbach. Ms. Benzion said that she was named the Acting Director of REDI in the interim.
- REDI is offering a class for writing a business plan and Ms. Benzion said that she is hopeful that class participants will enter their plans in the Business Start Right competition.
- REDI's annual Business Appreciation Week is scheduled for the week of March 12th and will culminate with a celebration breakfast on Friday, March 16<sup>th</sup> at the Glenview Mansion.
- Supernus Pharmaceuticals, located in Rockville, was recently awarded a large contract from the U.S. Navy.
- Hillcrest Labs, located in Rockville, recently introduced a second generation of motion control software and products.
- REDI welcomed two new interns last week.

Councilmember Pierzchala expressed his appreciation and congratulations to Ms. Sternbach and said that this move is a feather in her cap. He said it will be a challenge to find a replacement for Ms. Sternbach but is confident in REDI's ability to do so.

## **6. Recognition of Major Donors and Partners of the City of Rockville's Holiday Drive**

Carlos Aparicio, Director of Community Services, introduced this item and said that it gave him great pleasure to honor those who donated to the 'Take Part and Give from the Heart' campaign. He provided information on the types of families and individuals that received baskets or gift cards during the holidays. He thanked Manna Food, Frost Elementary School and St. Mary's School for their partnership. Mr. Aparicio also expressed appreciation to the Marine Corps Toys for Tots who supplied over 150 toys for Rockville's less fortunate children.

Certificates of Appreciation were presented to: Councilmember John F. Hall, Jr., Santos Postal and Company; Officer Chris Day, the Fortigent Company, Chris Kelly of St. Mary's School, IQ Solutions, Carl Peterson and Suzanne Underwald.

Plaques were presented to: Paul Glasgow, Esquire, from Venable Foundation, Inc., Dr. Jones of Frost Elementary School, and Maggie Hunter.

Mayor Marcuccio said this is an example about why it is so special to live in Rockville and hopes that the warmth and generosity of the Holiday Season stays with us all year long.

## **7. Appointments & Announcement of Vacancies**

Mayor Marcuccio said that she had recently met with Peter Mork about the process and Policy and Procedure Manual for Boards and Commissions. She said that she and Mr. Mork had worked with staff to amend the manual and it should be ready within the next week or so.

**Motion:** to appoint W. Thomas Curtis to the Board of Appeals as an alternate member until 01/01/15.

Moved by Councilmember Newton, seconded by Councilmember Hall and unanimously approved.

**Motion:** to appoint Deborah Stokes and Angela Younger to the Cultural Arts Commission as members until 01/01/15.

Attach C

Moved by Councilmember Hall, seconded by Councilmember Newton and unanimously approved.

**Motion:** to appoint Abigall Swan to the Human Rights Commission as a member until 01/01/15.

Moved by Councilmember Newton, seconded by Councilmember Hall and unanimously approved.

Mayor Marcuccio announced vacancies to the following Boards and Commissions: Animal Matters Board, Compensation Commission, Human Rights Commission, Landlord Tenant Affairs Commission, Recreation and Parks Advisory Board (an unexpired youth member), and the Sign Review Board.

## **8. Citizens' Forum**

<b><i>Speaker</i></b>	<b><i>Issue</i></b>
Lyn Arndt	The importance of the Rockville Rewards Program
Susan Prince	Sally Sternbach's departure from REDI and her many contributions

## **9. Mayor and Council Response to Citizens' Forum**

Councilmember Pierzchala	Every year the Rockville Rewards Program gets better and better and he appreciates the Rockville Chamber of Commerce for taking it on.
Mayor Marcuccio	Congratulated Sally Sternbach on her new position and said that she rose to the remarkable challenge of finding other ways to fund projects and initiatives. She commended Ms. Sternbach for the many things she accomplished as Executive Director of REDI.

## **10. Public Hearing on Fiscal Year 2013**

The Mayor and Council heard from four speakers (Roald Shrack, Susan Prince, Don Kettlestrings and Tom Curtis.)

There being no other speakers, Mayor Marcuccio declared the public hearing closed and said that record would remain open until 5:00 pm, May 17, 2012. A full transcript of the proceedings can be found in the official file maintained in the Office of the City Clerk.

## **11. Consent Agenda**

- A) Award of Rider Contract off of Montgomery County Maryland Contract #1009714 in an aggregate amount not to exceed \$240,000 over a three (3) year contract period for the Inspection, Repair, Maintenance and Installation of Electronic Security Systems.
- B) Award of IFB #17-12 for Plant Bed Maintenance at various locations throughout the City for a period of five years in an aggregate amount not to exceed \$175,000.

- C) Award of rider contract off of Montgomery County, Maryland Contract #1000515 for Site Construction Services for repairs throughout the City for a period of five years in an aggregate amount not to exceed \$300,000.
- D) Approval of contract increase of \$500,000 to Venable, LLP for legal services.

Regarding item 11(B), Councilmember Moore asked why the bid from the Rockville company came in so much higher than the others. Burt Hall, Director of Recreation and Parks, said that said he believed they made an error in their understanding of what the City was looking for and that he would reach out to them for an answer.

Regarding item 11(D), Councilmember Newton asked staff to provide an accounting of all legal expenses for 2010 and 2011, both internally and externally.

**Motion:** to approve the Consent Agenda.

Moved by Councilmember Hall, seconded by Councilmember Newton and unanimously approved.

**12. Adoption of Ordinance to approve Adoption of ordinance to approve Zoning Text Amendment TXT2012-00231 - Clarification of the definition of "family"; Mayor and Council of Rockville, applicants**

**Motion:** to adopt Ordinance to approve Zoning Text Amendment TXT2012-00231 (clarification of the definition of "family," Mayor and Council of Rockville, applicants.

Moved Councilmember Hall, seconded by Councilmember Newton and unanimously approved.

Councilmember Moore commended the Planning Department on this legislation. He said it was difficult to get right but it will have a distinct positive effect.

**13. Adoption of ordinance to amend Chapter 5 of the City Code entitled "Buildings and Building Regulations," Article XII, entitled "Property Maintenance Code" so as to amend the definition of "Family" and to make other technical corrections**

**Motion:** to adopt ordinance to amend Chapter 5 of the City Code entitled "Buildings and Building Regulations," Article XII, entitled "Property Maintenance Code" so as to amend the definition of "Family" and to make other technical corrections.

Moved by Councilmember Hall, seconded by Councilmember Tom Moore and unanimously approved.

**14. Presentation FY 2013 Mayor and Council Budget Preparation Surveys and Budget Preview.**

Director of Finance Gavin Cohen presented the background, stating that this is a continuation of the Mayor and Council's discussion last week. Ensuing discussion between the Mayor and Council and staff included the following topics:

**Property Tax Rate**

Councilmember Moore said that we can maintain this for FY13, but in view of the \$2 million dollar decrease next year, we will need to reevaluate this for FY14.

Mayor Marcuccio said that the \$100 rebate is worth \$1.5 million and before we raise the tax rate we need to think about that give away.

### **Homeowners' Tax Credit**

Mayor Marcuccio asked why this is described as revenue and Councilmember Moore responded that it results in a reduction in revenue. He sees this tax credit as targeted to households in need.

### **\$100 Income Tax Offset**

Councilmember Pierzchala said that we are going to see many homes with lower assessments and experience decreased assessments as a result. This in the face of a large CIP backlog.

With finances tighter now more than ever, Mayor Marcuccio believes this to be a poor practice to have in place and wonders how can the Mayor and Council increase the tax credit base and still offer a \$100 rebate? She said that it would cost t \$1.8 million that do this and does not want to put an additional burden on the City.? Mayor Marcuccio said she will would consider half that amount; not the entire \$100.

Councilmember Hall said that he is very interested in funding this. One hundred dollars may not be a lot to everyone and it your county tax bill went up so did your city tax bill which means about \$500 being taken away from the average household in Rockville about \$500. Councilmember Hall said that he would work diligently to find ways to fund this and thanked the Mayor for her willingness to support a portion of it.

Councilmember Newton said that she would support the efforts of Councilmember Hall to try to find a way to fund this and hopes that it will be targeted to those who need it.

Councilmember Moore said that he has some difficulty supporting that level of cuts.

Director of Finance Cohen will gather information on various properties in that district to show what the property taxes were.

## **Assume Adjustments to Fees and Charges in Accordance with Adopted Financial Management Policies (FMP)**

Councilmember Newton – Are the proposed increases market driven?. Mr. Cohen responded that, as with most Recreation and Parks programs, they try to recover all they can subject to market conditions. Councilmember. Newton said that we have to be careful not to adjust fees on the backs of our citizens and that the materials that were distributed did not give a sense of whether it was a big increase or a small increase. Having the information now, she will support this.

Mayor Marcuccio asked for an example of areas where fees would be raised and Director of Recreation and Parks, Burt Hall, said it could be sports league play, summer camps, swim center fees, etc. and said he will share the exact fees that they plan to raise at a later date.

Councilmember Tom Moore mentioned that the idea here is to continue to work towards goals that were established in the past and Mr. Cohen followed by saying that the City does have the authority to set fees in accordance with the CPI, or some other mechanism, and that he does not see the need to do that for FY2013. Director of Recreation and Parks, Burt Hall, said that he would provide recommended fees in proposed budget and that, generally speaking, they are small increases. Mr. Hall said that this is done to offset increases in utility rates (maybe 1% - 2%) and that these small incremental changes are needed to stay even.

### **Assume 1 % increase in administrative charges.**

Discussion centered on: the effect of this to the enterprise fund and water and sewer rates; cost allocation was established in FY12; a good to grow these fees, similar to other fee increases; reduction of costs in other areas such as lower FTE's which has realized some savings.

## **Other General Fund Revenues**

Councilmember Newton – the salaries not being paid for the City Clerk or City Manager will realize a savings. Likewise, with REDI's request to fund Women's Business Accounting Program Conference. Would not the departure of the Executive Director also realize additional funds?

## **Programs and Services**

Mayor Marcuccio – discussion about FTE positions and comparing the budgets of City Attorney's office and Human Resources; everything is given to us as though it is in concrete; no variation. FTE's are the bulk of the budget; need good discussion on this.

Councilmember Pierzchala – Mr. Cohen has given us a method to get into great detail. The adopted FY12 budget has every cost center listed and the number of employees per cost center. Every year the budget books have improved. The information is there to be had. Over the years, whenever the Mayor and Council ask for information they receive it.

Councilmember Hall – Would like to take a hard look at the overtime being paid as it is fairly substantial; is interested in possibly tiering sewer rates to achieve savings in City Hall service oriented cost centers. Times are tough right now but we should try to support all the people who work for the city. He has a strong desire to protect the 1% increase for staff.

## **Capital Improvements Program**

Mayor Marcuccio noted that she did not see the I-270 sound barrier wall in the documents and very much wants to see this project funded. She asked about the status of the IT Strategic Plan and Mr. Cohen responded that a study is underway for a citywide document imaging system.

Councilmember Pierzchala asked if the water tank improvements are really needed and Mr. Simoneau said that a comprehensive water briefing is scheduled for the Mayor and Council on February 27 which would address the tanks and water infrastructure in general. Mr. Simoneau said that the current plan is to rehabilitate instead of replace which will realize a cost savings. Councilmember Pierzchala said that there is tension between maintaining infrastructure through CIP that will really play out now because of the decline in property assessments, and what we are seeing are buildings that are 50-60 years old that are not in the CIP. These are the kinds of decisions the Mayor and Council will have to deal with.

Mayor Marccucio asked about the appropriation for the Senior Center in view of the recent refurbishing that took place and Mr. Cohen responded that renovations would soon take place in the older parts of the building now that the main part is complete.

Councilmember Moore asked about the unfunded amount of \$707,000 for City Hall improvements and wondered what would happen to the old Police Department space if this does not get funded. Burt Hall responded that they hope to have leftover money at the end of the Police Department project which would be used for the work here at City Hall. He indicated that there may be approximately \$400,000 left over from that project which would cover the cost to move all the staff from 30 Courthouse Square. Councilmember Moore said that he would support funding to accommodate staff taking over the old Police Department space.

Councilmember Newton expressed concerns with the tight budget schedule and wondered if the Mayor and Council could receive the draft document sooner. Perhaps even the same day that it goes to the printer which would give the Mayor and Council a couple additional weeks of review. She also requested that the proposed budget be posted on the web as soon as possible. Mr. Cohen responded that he would produce a PDF version of the proposed budget and provide to the Mayor and Council the same day that it goes to the printer.

## **15. Mayor and Council Communication Plan for Calendar 2012**

Marylou Berg, Communications Manager, presented the background of the 2012 Plan highlighting new programs such as Mayor and Council Minute, Quarterly Roundtable, and an expanded 'Get to Know You' piece for *Rockville Reports*. Ms. Berg also discussed those programs that would return.

Councilmember Pierzchala commented that he really liked the 111 Maryland Avenue program.

Mayor Marcuccio asked if there was a way to include some representation from our Boards and Commissions. She said she was interested to know that there was an electronic newsletter and there was discussion on who subscribes to this publication. Regarding moderators, Mayor Marcuccio asked why we hire someone from the outside. Ms. Berg said that there are benefits to this and the cost for a host was between \$200 - \$300 per show, or \$800 a year. Mayor Marcuccio said that she does not see the need for the *Rockville Reports* profiling.

Councilmember Pierzchala suggested removing that piece from the Plan and there was agreement by all to do this.

Councilmember Newton said that she loves the idea of the Mayor and Council page and is glad to see the Quarterly Roundtable back. She does not, however, think that this program needs to

be moderated. Councilmember Newton also inquired about when the formal photograph for the Mayor and Council would occur. [Attach C](#)

Councilmember Hall thanked staff for bringing the seal back. He does not see the need for individual features in *Rockville Reports* stating that the government body should represent the City's corporate leadership and policies. By allowing one full page in *Rockville Reports* might open yourself up to making political statements. He does, however, think that the Quarterly Roundtable piece works well but wonders if there are too many of them. What he liked best about Rockville 11 was the fact that it really did not have to do with the governing body. He will do his best to be supportive in participating.

## **16. Mayor and Council Liaisons to Boards and Commissions Report**

Mayor Marcuccio said that she had met with Rockville Chamber of Commerce Board and that it was a very productive meeting. She also attended the Community Ministries annual meeting where she discovered that the REAP program was started by former Mayor Bill Hanna. Because she had attended the MML board meeting the same day, she was sorry that she could not be present for the Board of Supervisors of Elections Wrap Up meeting.

Councilmember Pierzchala said that he attends the Montgomery County Council's legislative update meetings on Mondays and there will be six meetings total.

Councilmember Moore said that he had attended the Board of Supervisors of Elections Wrap Up meeting held January 28 and that many good suggestions came out of it. He commented that Chair Dave Celeste did an excellent job moderating some terrific discussion. He said that every candidate was represented and the meeting was well-run. He looks forward to implementing some of the suggestions.

Councilmember Newton said that she had attended the MML legislative meeting Wednesday where they took up the Ethics Bill. She said the group intends to pay close attention to the discussions on this legislation, and that the goal is to not weaken it, but to make it relevant. Councilmember Newton had also attended the Planning Commission meeting Wednesday evening.

Councilmember Hall said that he had met with the Rockville Chamber and REDI boards. He said that we all share the same sentiments stated by Councilmember Pierzchala with respect to Sally Sternbach. He, too, had attended the Board of Supervisors of Elections Wrap Up meeting and agreed that some useful information came out of it. He said that there are lots of good ideas yet to come. Councilmember Hall mentioned the upcoming City's Lunar Year celebration at Rockville High.

## **17. Review & Comment regarding Future Agendas**

Because there are five Mondays in April, Councilmember Pierzchala asked if we could avoid holding a meeting on April 23<sup>rd</sup>. Councilmember Newton mentioned the MCPS Spring break and thought that Monday, April 9 might not be a good time to meet. There was agreement to not hold Mayor and Council meetings on both April 9 and April 23. Councilmember Newton noted that she did not see the Pumphrey's Text Amendment on the future agendas and asked staff to schedule this. Councilmember Moore said that the Rockville Volunteer Fire Department would like to schedule a meeting with the Mayor and Council sometime this spring.

## **18. Review & Comment regarding Mayor and Council Action Report**

There were no comments made on the Action Report.

**19. Old/New Business**

Mayor Marcuccio reminded the council to submit their revisions for the City Profile that was drafted by Springsted, Inc. for the City Manager search. She also reminded Council to submit their recommendations as to the City Clerk candidates they would like to interview.

Councilmember Moore mentioned the delay of funding for Hungerford School (Richard Montgomery Cluster Elementary School) in the County Executive's proposed budget. There was discussion on how to approach this and items to include when presenting testimony at the County Council's CIP hearing on February 9.

**20. Adjournment**

There being no further business, the Mayor and Council adjourned at 10:00 p.m.

**Motion:** to adjourn

Moved by Councilmember Hall, seconded by Councilmember Mark Pierzchala and unanimously approved.